

The Fund for the Efficient Delivery of Local and Regional Services
Public Law 2003, c.20, § W-2

GRANT INSTRUCTIONS AND APPLICATION

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INTRODUCTION

Section 1. Purpose Statement

The state of Maine seeks to support municipalities in developing joint ventures for delivering municipal services. The Fund for the Efficient Delivery of Local and Regional Services (Fund) is established to encourage and support cooperation among municipalities so that they can reduce property taxes. Municipalities may apply for grants from the Fund for projects that reduce property taxes through:

1. achieving cost savings and reducing municipal spending
2. improving efficiencies in the delivery of local services
3. improving the quality or quantity of the delivery of municipal services

The Fund also seeks to pilot projects that serve as models from which other Maine communities may learn and follow.

Section 2. Availability of Grant Funds

\$1,000,000 in state funds is available through a competitive grant program. Grants will be awarded for two types of projects: 1) Cooperative Services Grants; and 2) Planning Grants.

Cooperative Services Grants will be awarded to enable municipalities to develop and implement intergovernmental projects that reduce property taxes. The maximum award for a cooperative services grant shall not exceed two hundred thousand dollars (\$200,000).

Planning grants in an amount not to exceed ten thousand dollars (\$10,000) also may be awarded from the Fund. Such grants may be used to support technical assistance and facilitation needed for the development of a regionalization proposal.

Section 3. Grant Administrator

The Maine Development Foundation (MDF) will administer the grant program on behalf of the state of Maine. MDF is the oldest and one of the most successful statewide public-private partnerships in the nation. Given the foundation's work with downtowns and community development issues, and its unique role to stimulate new ideas, develop leaders, and provide common ground for solving problems and advancing issues, it is well-positioned to help facilitate intergovernmental cooperation through this grant program.

ELIGIBILITY

Section 4. Applicant Eligibility

Municipalities are eligible to apply for grants. A municipality must be the lead in applying for a grant.

In order to be eligible for a Cooperative Services Grant, a municipality must:

1. Be in partnership with one or more other municipalities or quasi-governmental organization(s). Examples of quasi-governmental organizations are: county, school district, utility district, regional councils, housing authorities, solid waste regional association, or other entities created by interlocal agreements under 30-A MRSA §2201 et. al.;
2. Document that at least one municipality has previously adopted intergovernmental practices that have achieved cost savings in operating funds related to administrative services; and
3. Document that such savings were directed for property tax relief.

For purposes of eligibility, *operating funds related to administrative services* means the ongoing expenditures that are budgeted by a municipality for salaries or supplies. This would not include capital expenditures or debt service.

Property tax relief means a reduction in the cost of delivering the service that translates into savings for the taxpayer.

In order to be eligible for a Planning Grant, a municipality must:

1. Be in partnership with one or more other municipalities or quasi-governmental organization(s). Examples of quasi-governmental organizations are: county, school district, utility district, regional councils, housing authorities, solid waste regional association, or other entities created by interlocal agreements under 30-A MRSA §2201 et. al.;

Section 5. Types of Projects

Applicants for Cooperative Services Grants must demonstrate savings in the cost of delivering local and regional governmental services resulting from the project, including, but not limited to, the following types of projects:

- Collaboration as a means of delivering governmental services;
- Enhancement of an existing (or development of a new) regionalized system for delivery of governmental services;
- Consolidation of services or functions directly related to delivery of governmental services; or

- Joint purchase of goods and services directly related to delivery of governmental services.

The types of projects described in this subsection are not listed in any order of priority. Applicants for a Cooperative Services Grant under this section must specify the type of project for which assistance is sought.

Section 6. Eligible Expenses

The Fund is available solely to finance a future project proposal. Reimbursement for expenses for prior efforts is not eligible.

Examples of eligible activities for which these funds may be used include, but are not limited to:

- ✓ Efforts to consolidate buildings or services
- ✓ Execution and implementation of an interlocal agreement, tax base sharing arrangement, or another regional government mechanism for achieving collaboration
- ✓ Facilitation for establishing working relationships or for joint planning sessions
- ✓ Joint strategic planning, comprehensive planning, or capital improvement planning
- ✓ Facilitation of community meetings to raise public awareness and solicit public participation

Examples of the types of costs which the fund may support include, but are not limited to:

- ✓ Professional services such as lawyers, consultants, facilitators, and architects
- ✓ Administrative services such as copying, printing, telephone, and travel

The costs of ongoing operating expenditures that would otherwise be budgeted by municipalities are not eligible.

Eligible costs for planning grants include:

- ✓ Feasibility studies that examine alternative methods of achieving collaboration
- ✓ Cost-benefit studies
- ✓ Fact-finding explorations to determine how municipalities elsewhere have achieved collaboration
- ✓ Facilitation of community meetings to raise public awareness and solicit public participation

Section 7: No local match is required for these grants. While local match demonstrates commitment to a collaborative effort, applicants that volunteer match will have no competitive advantage.

GRANT STEPS

Step 1: Applicant Submits an Application.

Municipalities may apply for funds using the application format provided in this packet.

Applicants must describe: 1) how implementation of their grant project will result in cost savings; 2) calculate a projection of the cost savings reasonably attributable to implementation of its proposal; and 3) describe how the savings translate into property tax relief.

Project duration may extend no longer than eighteen (18) months. Municipalities applying for a grant must identify the lead community (designated project manager) for a proposed project. Applicants should provide copies of contracts, by-laws, or interlocal agreements establishing the administrative entity applying for the collaborative project, if available.

Grant applications must be completed and be signed by the Chief Executive Officer of each participating entity. Seven complete copies of the application must be submitted. Applications must be sent by certified mail or with priority tracking for purposes of verifying receipt by MDF. Applicants will not be receiving letters of confirmation. Faxed or electronic submissions cannot be accepted. **Applications must be postmarked no later than January 14, 2005. Hand deliveries will be accepted at the MDF's office until 2 PM on January 14, 2005.**

Questions about the application process may be directed to MDF. Contact information is provided at the end of this packet. MDF cannot assist applicants with developing their project proposals, however, a resource list may be obtained from MDF that provides contact information for others that can assist with project development.

Step 2: Panel to Review Proposals.

A. Review Panel: A review panel shall review, rank, and award grants to eligible applicants for cooperative services and planning grants. The panel shall consist of the following members:

- The Director of the Maine State Planning Office, or designee;
- The Commissioner of the Department of Administrative and Financial Services, or designee;
- The State Tax Assessor, or designee; and
- Three (3) municipal officials who have already successfully engaged in regionalization efforts, selected by the Commissioner of the Department of Administrative and Financial Services.

B. Determining Eligibility: The Review Panel, or their designee, will determine whether the applicant meets the eligibility criteria described in Section 4 above.

Proposals from applicants that are determined not to be eligible will not be considered for funding. Applicants with ineligible projects will be notified in writing.

C. Review Criteria: The review panel will evaluate the cooperative services and planning grants based of the following selection criteria:

CRITERIA	MAX. POINTS AWARDED
Extent and quality of cooperation among governmental/quasi-governmental entities	20
Estimated amount of property tax savings to the region over time as a percentage of budget(s) (e.g., education, public works, general administration, and public safety) and/or the ability for communities in other regions to duplicate such savings	50
Degree/likelihood of success in implementing and sustaining a new intergovernmental/quasi-governmental arrangements	20
Involvement of a regional service center such that there will be cost savings both for the service center and the surrounding communities served	10

D. Ranking: Proposals will be ranked from high to low in order of total application scores. Award decisions will be based upon the level of funding for each proposal, starting with highest ranked, within the funds available. MDF reserves the right to offer grants of reduced funding levels and to negotiate the project award for any grant.

Step 3: Review Panel Announces Grant Awards.

Grant awards will be announced by March 15, 2005. All applicants will be notified in writing whether or not their proposal has been funded.

Step 4: Applicant Signs a Contract with Maine Development Foundation.

Successful grant applicants are required to sign a contract prepared by the Maine Development Foundation. To be valid, contracts must be signed by both MDF and an authorized official of the lead municipality on behalf of the applicants. Information provided in the project applications will be incorporated into the grant contracts.

The contracts will also contain the following:

- Payment procedures
- Requirements for the return of unexpended grant funds
- Termination procedures for grant money in cases of misrepresentation or failure to proceed
- Project description

- Project budget
- Project schedule
- Reporting requirements

Step 5: Applicant Votes to Accept Grant Funds.

Under state law, municipal government approval is necessary before the community can accept and spend grant funds. Local officials must make arrangements to acquire such approval by town meeting or council vote before grant contracts can be signed.

Step 6: Applicant Commences Projects.

Projects should be organized and ready to begin no later than six months from the date of the grant award, unless MDF has approved an alternate work schedule.

Step 7: MDF Disburses Funds.

Funds for Cooperative Services Grants and Planning Grants will be disbursed according to the following schedule:

1. Upon execution of a signed contract with the grantee, 33% of the grant amount will be paid.
2. At the half-way point of the grant project, but no later than nine months after the first disbursement and upon receipt of the grantee's written progress report, the second 33% of the grant amount will be paid.
3. Upon completion of the grant project, but no later than 18 months from the first payment (unless MDF has approved an alternate work schedule), and upon receipt of the grantee's written final report, the final 33% of the grant amount will be paid.

Step 8: Applicant Demonstrates Property Tax Relief.

Grantees for Cooperative Services Grants must specify actions taken as a result of the grant project that result in cost savings and how those cost savings translate into property tax relief. Grantees must also project anticipated savings expected for three years following implementation of the grant project.

A. Progress Report: At the half-way point of the grant project, but no later than nine months following the execution of the grant contract with MDF, the grantee will submit a written progress report that describes:

- ✓ Description of accomplishments to date
- ✓ Accounting of how much grant funding was spent and what it was spent on
- ✓ Assessment of the likelihood of the project continuing to completion
- ✓ A discussion of any obstacles encountered while implementing the grant project

B. Final Report: At the completion of the grant project, but no later than 18 months following the execution of the grant contract with MDF, the grantee will submit a written final report that describes:

- ✓ Description of accomplishments of the grant project

- ✓ Accounting of how much grant funding was spent and what it was spent on
- ✓ Description of specific actions taken as a result of the grant project that will result in cost savings; a calculation of those cost savings, and a description of how those cost savings will translate into property tax relief
- ✓ Assessment of the likelihood of the project continuing after completion of the grant contract
- ✓ Assessment of continued property tax savings for three years after the completion of the grant project
- ✓ An assessment of lessons from which other municipalities can learn

C. Reports for Planning Grants: Grantees for Planning Grants must also submit a progress report and final report that provides a description of accomplishments; an accounting of how the grant funding was spent and what it was spent on; an assessment of the likelihood of the project being pursued; an assessment of property tax savings that are likely to result from the project being developed; and an assessment of lessons from which other municipalities can learn

INSTRUCTIONS FOR COMPLETING APPLICATION

COMPLETE AS FOLLOWS: Complete and return all of the application materials listed in the application checklist below. Read the application questions carefully and answer them completely. Number each answer carefully in order to avoid confusion.

Grant applications must be completed and be signed by the Chief Executive Officer of each participating entity.

You must submit seven copies of the application. They need to be printed double-sided, and stapled or bound.

Faxed or electronic submissions cannot be accepted. Applications must be sent by certified mail or with priority tracking for purposes of verifying receipt by MDF. Applicants will not be receiving letters of confirmation.

Applications must be postmarked no later than January 14, 2005. Hand deliveries will be accepted at the Maine Development Foundation's office until 2 PM on January 14, 2005.

Maine Development Foundation
45 Memorial Circle, Suite 302
Augusta, ME

Application checklist:

- ✓ Cover Sheet
- ✓ Documentation of Eligibility
- ✓ Project Description
- ✓ Grant Narrative Questions
- ✓ Project Budget
- ✓ Project Schedule and Milestones
- ✓ Letters of agreement among entities, including agreed upon allocation of grant funds to each
- ✓ Copies of contracts, by-laws, or interlocal agreements establishing the administrative entity applying for the collaborative project
- ✓ Signed Form Agreeing to Grant Terms

You may attach copies of reports or other town publications. Please be aware, however, that except for the attachments specifically requested in the application checklist above, the review committee will only consider what's written in the application form when evaluating the grant proposals.

APPLICATION FORM

PART ONE: COVER SHEET

NAME OF PROJECT: _____

TYPE OF GRANT:

_____ COOPERATIVE SERVICES GRANT

_____ PLANNING GRANT

TYPE OF PROJECT (please check one)

_____ Collaboration as a means of delivering governmental services

_____ Enhancement of an existing (or development of a new) regionalized system for delivery of governmental services

_____ Consolidation of services or functions directly related to delivery of governmental services

_____ Joint purchase of goods and services directly related to delivery of governmental services

_____ Other (please describe) _____

NAMES OF MUNICIPALITIES AND INTERGOVERNMENTAL ORGANIZATIONS IN PROJECT

LEAD MUNICIPALITY/DESIGNATED PROJECT MANAGER: _____

NAME: _____

POSITION/TITLE: _____

ADDRESS: _____

TOWN: _____ STATE: _____ ZIP: _____

EMAIL: _____ PHONE: _____

TOTAL GRANT AMOUNT REQUESTED: \$ _____

PART TWO: DOCUMENTATION OF ELIGIBILITY

These funds are available solely for municipalities that have demonstrated that they have previously adopted collaborative practices and that those practices have achieved property tax relief. Take care to number all answers to correspond with each question. Please limit your response to no more than one page per question.

Question 1:

Describe the prior collaborative effort(s) in which this municipality or municipalities were involved. How did these efforts improve efficiencies or improve the quality or quantity of service? Please provide measurable evidence of the improvements (quantitative data, citizen surveys, etc.).

Question 2:

How did these efforts translate into property tax relief provided? How much? How was this determined? How was it distributed?

PART THREE: PROJECT DESCRIPTION

Please provide a brief overview of the project, including project goals, and how implementation of the grant project will result in property tax relief. Also describe other aspects of the project that you believe will sustain cost savings over time including increased efficiencies or improved delivery of services. You may also want to describe the community participation components of your project. The description should not exceed one page.

PART FOUR: GRANT NARRATIVE QUESTIONS

Please answer the following questions. Take care to number all answers to correspond with each question. Be as specific as possible in answering the questions, but limit your responses to no more than one page per question.

QUESTION 1: Cooperation

The extent and quality of cooperation between parties is an important factor in predicting success of a cooperative project. Projects will be evaluated not only on proposed cooperation, but also on how long communities have been working together in the past; to what extent they have shared responsibilities in the past; and whether or not the association is formal or informal.

Please describe the extent and quality of cooperation among municipalities and/or quasi-governmental entities.

EXAMPLES:

- *Number of communities/organizations participating*
- *Number and type of services/activities involved in cooperative effort*
- *Type and status of legal mechanism used for collaboration*
- *Degree of commitment from participating organizations, etc.*

QUESTION 2: Property Tax Relief

It is important to understand not only what the predicted cost savings will be for your project, but also how you calculated the savings, what steps or activities are key to achieving the savings, and how those savings translate into property tax relief.

Describe what steps will be taken that will reduce the costs of delivering services. Define how that will translate into property tax savings. Define the amount of property tax savings that will be realized over time as a percentage of budgets. Describe how the savings are calculated and any assumptions made in making the calculations. Describe the ability for communities in other regions to duplicate the savings that will be realized from this project.

EXAMPLES:

- *Total tax savings resulting from the cooperative effort in each fiscal year (e.g. \$3,000 first year, \$4,000 second year, and \$4,500 third year)*
- *Budget (real or projected) for this project without the efficiencies resulting from the project compared to the budget with the efficiencies resulting from the project*
- *Tax savings each fiscal year as a percentage of budget (e.g. \$3,000 savings on a \$30,000 budget equals a 10% savings)*
- *Percentage of the savings applied to property tax relief (e.g. 75% of the savings was applied to property tax relief and 25% of savings was applied to upgrading the service); Products or activities that other communities can replicate*
- *Work products that can be given to other communities, etc.*

QUESTION 3: Likelihood of Success:

The best projects are those which are successfully implemented and achieve the intended benefits and cost savings.

Describe the steps that will be taken to ensure that the project will be implemented and sustained under the collaborative arrangement.

EXAMPLES:

- *History of collaboration*
- *Long-term agreement signed*
- *Legal mechanism in place*
- *Cost-savings to benefit all participants, etc.*

QUESTION 4: Regional Service Center Involvement

Maine's Regional Service Centers (identified in Appendix A) play an important role in providing services and employment to residents in surrounding communities and thus already serve an important role in shared/consolidated services.

Describe how and to what extent a regional service center is involved in order to generate cost savings for both the service center and surrounding communities.

EXAMPLES:

- *Service center is an applicant*
- *Communities receive proportionate share of savings*
- *Service center to provide a service and other communities pay for service, etc.*

PART FIVE: GRANT PROJECT BUDGET

A. Budget Detail:

1. (Insert budget category, i.e. consulting services, printing, etc) \$ _____
2. (Insert budget category, i.e. consulting services, printing, etc) \$ _____
3. (Insert budget category, i.e. consulting services, printing, etc) \$ _____
4. (Insert budget category, i.e. consulting services, printing, etc) \$ _____
5. (Insert budget category, i.e. consulting services, printing, etc) \$ _____
6. (Insert budget category, i.e. consulting services, printing, etc) \$ _____
7. (Insert budget category, i.e. consulting services, printing, etc) \$ _____

(Use additional lines if needed)

TOTAL PROJECT COST: \$ _____

B. Total Estimated Cost Savings for participating municipalities/quasi-governmental organizations:

Year 1: \$ _____

Year 2: \$ _____

Year 3: \$ _____

C. Amount Applied to Reduce Property Taxes (percentage):

Year 1: _____%

Year 2: _____%

Year 3: _____%

PART SIX: GRANT SCHEDULE AND MILESTONES

In Column A, insert the grant activities or project deliverables to be completed as part of the grant project. Examples of grant activities or project deliverables include: interlocal agreement executed, work plan developed, facilitator hired, joint planning session(s) held, public meeting(s) held, consolidation plan developed, town meeting approval.

In Column B, insert the amount that is budgeted for that activity or deliverable. Note: Total in Column B should equal the total project cost of the grant.

In Column C, insert the date by which the applicant expects the activity or deliverable to be completed.

In Column D, insert any additional pertinent information related to the grant activity or deliverable.

A. Grant Activity	B. Budget	C. Target Completion Date	D. Comments/Explanation
Total	\$		

PART SEVEN: AGREEMENT TO GRANT TERMS

1. The information contained in this application and in any attachments is true and correct to the best of my knowledge.
2. Any funds received as a result of this application will be used only for the purposes defined in this application. No part of the grant will be used for a political campaign, or to support attempts to influence legislation of any governmental body other than through making available the results of non-partisan analysis, study, and research. No portion of the award can be sub-contracted to a secondary grantee without the express permission of Maine Development Foundation.
3. Any funds received as a result of this application will be expended within 12 months of the last payment date.
4. To the greatest extent feasible, savings that result from implementing this project will be used for property tax relief.
5. Progress reports will be submitted on a timely basis.
6. The CEO of each participating entity must sign below:

Signature: _____
(Insert Typed Name, Title, and Governmental Organization) _____ Date _____

Signature: _____
(Insert Typed Name, Title, and Governmental Organization) _____ Date _____

Signature: _____
(Insert Typed Name, Title, and Governmental Organization) _____ Date _____

Signature: _____
(Insert Typed Name, Title, and Governmental Organization) _____ Date _____

Signature: _____
(Insert Typed Name, Title, and Governmental Organization) _____ Date _____

(Replicate additional signature lines if needed)

APPENDIX A: MAINE'S REGIONAL SERVICE CENTERS

Regional Service Centers are municipalities or groups of municipalities identified by the State Planning Office according to a methodology established by rule that includes four basic criteria: level of retail sales, jobs-to-workers ratio, the amount of federally assisted housing, and the volume of service sector jobs. By rule, regional service centers include communities that meet basic criteria, as well as portions of adjacent municipalities that meet certain criteria. For more information on regional service centers see:

<http://www.state.me.us/spo/landuse/techassist/topics.php#service>.

Regional Service Center Communities (Alphabetical Order)

ASHLAND
AUBURN
AUGUSTA
BANGOR
BAR HARBOR
BATH
BELFAST
BETHEL
BIDDEFORD
BLUE HILL
BOOTHBAY HARBOR
BREWER
BRIDGTON
BRUNSWICK
BUCKSPORT
CALAIS
CAMDEN
CARIBOU
DAMARISCOTTA
DEXTER
DOVER-FOXCROFT
EASTPORT
ELLSWORTH
FAIRFIELD
FARMINGDALE
FARMINGTON
FORT KENT
FREEPORT
GREENVILLE
GUILFORD
HOULTON
JACKMAN
KITTERY
LEWISTON
LIMESTONE
LINCOLN
LUBEC
MACHIAS
MADAWASKA
MILBRIDGE

MILLINOCKET
NEWPORT
NORWAY
ORONO
OXFORD
PARIS
PITTSFIELD
PORTLAND
PRESQUE ISLE
RANGELEY
ROCKLAND
ROCKPORT
RUMFORD
SACO
SANFORD
SCARBOROUGH
SKOWHEGAN
SOUTH PORTLAND
SOUTHWEST HARBOR
THOMASTON
VAN BUREN
WATERVILLE
WESTBROOK

**Portions of the following communities (Contiguous Census
Designated Places and Compact Urban Areas) are also Designated
as Regional Service Center Communities (Alphabetical Order)**

ELIOT
GARDINER
HALLOWELL
HAMPDEN
MEXICO
MILFORD
NEWCASTLE
NORRIDGEWOCK
OAKLAND
OLD ORCHARD BEACH
OLD TOWN
RANDOLPH
TOPSHAM
WINSLOW

CONTACT INFORMATION

Return completed applications by 2:00 p.m. on January 14, 2005

**TO: Amanda Rogers
 Maine Development Foundation
 45 Memorial Circle Suite 302
 Augusta, ME 04330**

Contact for information:

Amanda Rogers 626-3121 arogers@mdf.org